

**TOWN OF ARCADIA**  
Trempealeau County



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**Town of Arcadia**  
**Minutes of Regular Board Meeting**  
**Monday, July 13, 2015 at 7:00 p.m.**

The board meeting was called to order by Chairman Jon Schultz at 7:00 p.m. Open meeting certifications were met. Roll call was taken. Board members present: Chairman Jon Schultz and Supervisors Barb Tock and Donna Brogan. A list of residents that attended the meeting is attached.

Jon Schultz led the Pledge of Allegiance.

A motion was made by Barb Tock and seconded by Donna Brogan to adopt the agenda. The motion was carried unanimously with a voice vote.

A motion was made by Donna Brogan and seconded by Jon Schultz to approve the minutes of the June 22nd Regular Board meeting. The motion was carried unanimously with a voice vote.

During the disbursements section Clerk/Treasurer Nancy Rohn explained the June financial documents shown on the projector. She also stated that detailed monthly reports from July 2014 through present are on the Town website. There will be more historical reports added as time permits. When the presentation ended a motion was made by Barb Tock and seconded by Donna Brogan to approve the disbursements of July 13, 2015. The motion was carried unanimously with a voice vote.

**PUBLIC COMMENTS:**

At 7:07 p.m. J. Schultz opened the floor to public comments for other topics that were not listed on the July 13, 2015 agenda.

\*\*Ron Tuschner – thanked N. Rohn for adding the financial information on the website. He also questioned two checks that were written; one for the Land Restoration company and the other to West Bend Insurance. He also asked if the special meeting charge had been paid yet. Clerk/Treasurer N. Rohn indicated that yes it was paid and information could be found in the Deposits spreadsheet from the June 2015 financial report which is on the Town's website. N. Rohn stated that she would look into the details of the West Bend check and report back at the next meeting.

\*\*Robert Kupietz – asked if any of the Board members had driven down Thompson Valley. Jon Schultz indicated that yes he had. Discussion ensued. Kupietz stated that he felt that the road wasn't wide enough and that there are no shoulders.

\*\*Mike Chitko – stated that in November 2014 Robert Kupietz asked the former Board if a white line could be placed on the center of Thompson Valley Road. At that time the former Board stated that they would look into it in the spring. Chitko asked if the new Board has reviewed this. He also asked if there was an agenda or notice for a public meeting for

the meeting in Whitehall on July 7. "You guys had a hearing for the Towns of Lincoln and Burnside vs City of Independence. It was on July 1<sup>st</sup>. Jon Schultz commented that he knows what he means, and "no, we did not". Chitko: "You and Donna were there, and that's a walking quorum". Schultz stated that he didn't think so. Chitko said that Schultz was recognized by the Court and he also referred to legal counsel. He stated that since some of the Board members attended a Towns Association meeting in Independence earlier regarding ethics and open meeting laws we should have known to error on the side of caution. Chitko stated that former Clerk Beth Killian was very good about making sure that this happened. Clerk/Treasurer Nancy Rohn stated that yes, she understood that she was at fault and would take the blame for not posting, and would do a better job in the future to ensure that this doesn't happen again. Donna Brogan also stated that the Board does receive notices from the Clerk questioning whether or not the Board is attended a meeting. Brogan stated that since the Board wasn't officially invited she would attend as a "citizen" so she didn't tell anyone she was going. She agrees that in the future the Board will make sure that a posting occurs. Chitko then said that all it takes is for someone other than me to see that, and it could be a problem. The Board will work together on this issue.

\*\*Darlene Rossa – commented that Thompson Valley Road has been mentioned many times. What was the process? Ayres Associates was the company that designed/engineered the road; if there is a problem shouldn't they be brought into the discussion? The Town did the road, and billed Mississippi sands. Rossa stated "Is there a problem with how they did the road? It's not the Town's fault and it isn't MS fault. Ayres should be the ones brought in if there is a problem since they designed it. This has been going on for a long time".

\*\*Ivan Pronschinske – There is an issue with the 750 feet.

\*\*B. Tock – it's between the entrance of the mine and the bridge. The shoulder isn't big enough. Trucks can't get over far enough. That's my understanding.

\*\*Robert Kupietz – there is no way that there is enough space for cars and trucks to meet.

\*\*Ivan Pronschinske – is it the old part or the new part?

\*\*Robert Kupietz – it doesn't matter if it's the old or the new part.

\*\*Ivan Prinschinske – yes it does.

\*\*Robert Kupietz - feels that the tar is wearing away, and that there needs to be worked done regarding the ditches.

\*\*Jon Schultz - stated that he will review the folder and make decisions on what needs to be done.

\*\*Darlene Rossa – agrees that this issue needs to be reviewed.

\*\*Ron Tuschner – stated that the project manager, Lisa Fleming from Ayres, was on site. She should be the one to be contacted.

\*\*Karen Geske – she commented that she was thankful that the financial reports are now on the Town website. She looked at the agenda and saw that there was going to be a formal presentation of Mississippi Sands and was wondering if the Frac sand account could be more detailed. When the Clerk/Treasurer is caught up, could details be added as to what monies are deposited by each sand mine? She also asked who the Kraemer Company was as the Town spends quite a bit of money with them. An audience member stated that they provide gravel. Last week Geske said she was at the City of Arcadia meeting and mentioned that the company here tonight has been at the City meetings. In the moratorium ordinance from the City under section 5 it refers to what the City can or cannot do regarding the mining companies. This may be hearsay, but she was told the company here was shut down so why are they going through this procedure. The City was given a petition last week to extend the moratorium and put it on the ballot in the spring to let the residents decide. There are possibly 3 companies that are interested in annexing to the city. Do we need as a Township to possibly appoint a committee to help study this? I believe the Town of Lincoln put one together.

\*\*Ivan Pronschinske – Jon, we are off base here.

\*\*Jon Schultz – I don't think so. This is a public comment section. Ivan stated that we are off base. Schultz commented that it wasn't Pronschinske's place to interrupt, but you might be right that Geske is over her two minutes. Geske agreed and thanked the Board for their time.

\*\*Mike Chitko – on the lighter side...he likes the addition of the projector at the meetings.

\*\*Joe Giemza – commented that we have this segment called public comment. Shouldn't it be after the public comment is closed, everyone that is looking at the head table should shut up? The last meeting turned into a wild free-for-all public forum. He asked a question at the last meeting and he was answered by someone other than the Board, and the question was pertained to the Board. Giemza stated that once the public comment is closed it's closed. This is a Board

meeting, not a public forum. If the Board asks someone directly for a comment that's fine, or if they are on the agenda they get to speak. Schultz commented that he agreed, but also did say that there are some issues that need a wide number of people may have input. Giemza commented that he understands, but if the Board should have the first right to answer, not someone else. Schultz said yes, the comments should be referred to the Board. It's not a debate back and forth. He appreciated Giemza's comments.

After the third call Chairman Schultz closed the Public comment section at 7:25 p.m.

#### **AGENDA ITEMS:**

- **Possible annexation regarding former Leonard Pierzina property – Bob Sonsalla:** Mr. Sonsalla was not present. Tabled until next meeting.
- **Foreman's Report – Jon Olson:** He reviewed Thompson Valley regarding what the Town had put there using recycled materials we received from the City. He felt that by doing so it saved the Town \$27,500 in materials. That was going off what might have been purchased from Wilbur's. There is roadwork that needs to be done near Ross Pronschinske's driveway on Trout Run, as well as ditch work by Ray Weltzien in Holcomb Coulee. Weltzien had stated that he would work on the ditching during winter, hasn't been done yet. Ron Grulkowski is also working on the second round of mowing. There is a concern as to the right-of-way...how many feet can the mower cover on the roadsides? There is corn, etc that is planted very close to the roads. The tire recycler will be at the Hall on July 20, old rate of \$132.90 a ton. Allied Coop has been working on a proposal for possible fuel savings. He is proposing a tank with containment with a 5 cents savings per gallon. More information ready by the next Board meeting. Olson also stated that he will be on vacation from August 17 through the 23<sup>rd</sup>. Regarding equipment he is working on a Loader update, has 2 bids. Checking on used ones. He also informed the Board that tires will be needed for the grader and trucks.
- **Update regarding Genelin property on Parkview Lane:** Jon Schultz informed the audience that a letter dated March 26, 2015 was sent from the County to the Genelins stating that the property was a health hazard, and he then proceeded to read the letter aloud. There is a petition by neighboring land owners to have the Board take action, dated August 15, 2014. Barb Tock also spoke to the County Health Department and they indicated that the Genelins had until July 20 to mow. She also drove past to see the condition of the property. It has been mowed. Nancy Rohn then spoke in regards to a call she received from Kevin Lien. Per Wisconsin statute the Township has authorization to raze the property. Information regarding this subject was attached to the letter and given to each Board member to review. During discussion Barb Tock recommended that it would be best to speak to the Genelins first. Jon Schultz stated that this is unique to the community and has never been done before. Donna Brogan was chosen to be the Town representative. She will report back at a future meeting.
- **Update regarding Cameron Rail road use agreement:** Chairman Schultz read Mr. Brovold's response to the audience on whether or not the town should abide to the agreement as written. It was recommended by Mr. Brovold to not enter into an agreement with Cameron Rail. Per Schultz, any further discussion or action on the matter would have to be held under closed session. A question was raised by Donna Brogan is if we are planning to schedule a meeting with Mr. Brovold. Mike Chitko stated that originally the agreement was supposed to just remove Superior Silica's with Cameron Rail's. Schultz stated that there have been some changes, and further information would be discussed with Mr. Brovold during a closed session. Darlene Rossa asked if there was money paid for the road previously by the mine. Schultz stated that there is a lot to catch up on regarding this topic and the Board will look into the history.
- **Review of Board Members Office Hours:** The Town Board announced individual office hours. Chairman Schultz's hours will be Thursdays from 8 AM until Noon; Barb Tock's hours will be Fridays from 9 AM until 12:30 PM, and Donna Brogan's hours will be on Wednesdays from Noon until 2 PM. A posting will be placed on the Town Hall front door as well as on the Town website.
- **Possibly Form Committees to address roads and equipment replacement:** Jon Schultz broached the subject of forming a road and equipment committee to help the Road Crew foreman formulate a 5-year plan for road improvements. Jon Olson has expressed great interest in forming this plan. Donna Brogan commented that she

liked the idea as she is a feeling reluctant when choosing roads to work on when she doesn't know a lot about them. She thought it would be a good idea to form this committee, but didn't know how much authority to delegate to non-Board members. Schultz stated that he would like to see this formed as there would be decisions made before the regular meetings, so that the decision(s) could be presented to the public without taking up a lot of the public's time. After further discussion the thought would be that the committee would consist of the Road Crew Foreman, one board member, and 3 people from the public. Decisions will need to be made as to how often to meet, and how the committee will operate. Jon Olson commented that there are 132 miles of road to maintain. The Board asked that information be placed on the web that the Board is looking for volunteers to be considered for this committee. Barb Tock made a motion to form the committee to prioritize road projects that will consist of the road crew foreman, a Board member and three volunteers. Donna Brogan seconded. Discussion continued with Barb Tock indicating that she thought it would be appropriate to form another committee that would deal only with equipment issues. Donna stated that she thought it would be best to keep the committee as is, roads only, and continue with equipment needs decided by the Foreman. Barb stated that she thought it would be best to have two separate committees as people have different knowledge bases. Jon Olson agreed. Ivan Pronschinske commented that there isn't enough money in the machinery fund to do much of anything. Not much you can do with \$6000. Barb Tock stated that if needed they may have to borrow. We need to have a plan before we know how much we have to spend. Jon Schultz commented that the motion will be left as passed, and that Jon Olson will continue to come to the Board with equipment concerns as is happening currently. We can form another committee in the future as needed. A vote was taken to form the committee as originally stated, which passed unanimously.

- **Update on Annexation Lawsuit:** Per Chairman Schultz, Mike Gill and Bruce Brovold represented the Town at the July 1<sup>st</sup> hearing regarding the petition to join the lawsuit regarding the annexation. The judge decided that the Town of Arcadia could join. Schultz commented that on July 20 a decision would be made regarding the next round of hearings. Mike Chitko asked whether or not the Towns of Lincoln and Burnside are "in or out of the lawsuit"? Schultz stated that the lawsuit is still open, that is why the Town was able to join. Chitko asked if the the Townships could jump back in? Chairman Schultz indicated that he did not know whether or not the other Townships are or will be part of the lawsuit. Also, Chitko wanted to know if the Town of Arcadia is in negotiations with Independence? Schultz stated that there have been no communications at that point. He also stated that any future actions by the Town Board will be under closed session.
- **Mississippi Sand Formal Presentation:** Due to Mississippi Sands quest of expanding their operations with an additional 290 acres, Tom Greco, overseer of capital planning and development, reviewed their formal presentation. Also present were project managers from the SEH consultant group. Greco began the presentation by providing an overview of the company, consisting of their main focus of safety, environment controls and value of their people as well as the community. The background of Mississippi Sand: Production began in 2008 in Festus, Missouri. They currently own 3 production facilities (Texas, Missouri and Wisconsin). The company was started by several owners with several years of experience in the mining industry and logistics. In 2012 the "wet plant" operations began, and in mid-May of 2015 the dry plant was started. Production is currently on hold due to market demand. They want to start production again as soon as possible. So far Mississippi Sand has produced over 550,000 tons of sand, shipping 430,000 ton. Their employee base consists of approximately 40 workers when running 24 hours a day, 18 of which are employed directly with Mississippi Sand; the rest are outside contractors or truck drivers. They have paid out \$450,000 to their employees so far this year. Their company is governed by the EPA, DNR, MSHA, as well as city and county regulations. Their emphasis is to go "above and beyond" regarding regulations; want to be safe for everyone involved. They also hired third party consultants specializing in blasting. Mississippi Sand is very concerned about dust, and are constantly using the water truck. They also focus on trying to limit back-up noise, lights, and blasting operations. Greco also stated that there have been no safety violations at the Arcadia facility. He knew of a trucking incident and even though it was a contracted employee he addressed the issue and said that erratic driving would not be tolerated. They are monitoring all the blasts. Also, a community impact council meets quarterly to address any concerns. They want to open up a line of communication and are happy that the impact council was formed. He would like to make the

company available for any questions/concerns. He has been in the area many times, and will work to find answers to people's concerns. Their company has donated monies/time to various entities throughout the Arcadia area, and they try to spend locally. Permitting of these additional reserves will help them remain viable for the long-term. Greco then referred to a map of the existing and potential expansion. Their plan is to continue mining with the same consistent approach. A question was addressed by Greco regarding the possibility of doubling production. He stated that was not the case. They were running 24 hours a day, 7 days a week in the spring until the market declined. The presentation was made to the Township as part of the "permitting process". They have worked diligently to create a business plan to share with the City, Town and County. They wanted to present a plan that would be suitable to everyone. Greco knows that people are concerned about wells. They have tested five wells that are the closest, and have found no issues. Their intent is to test all wells that surround the expansion, and will continue to monitor. They are willing to bring in anyone needed to help answer any questions. Dan Hedrington from SEH continued the presentation by pointing out the information provided on the maps. Setbacks were shown as they do not want to get close to the waterways on site. Phases were shown next, current phases of 1 through 9, and then the expansion phases up through phase 18. They will use the stock-pile material (overburden) as reclaim for agricultural. Storm water collection areas were pointed out. Once a phase is closed, the storm water collection area is removed. They want to follow the previous drainage patterns. They also designed a system of "monitoring wells" as they want to ensure there are no ground water issues. On subsequent maps a project review and evaluation was shown which was a large list of items that they need to complete when working on a sand mining project. One of the questions is if there is anything archeological that needs to be addressed? They also evaluate wetlands, hydrology, coordinate with DOT, State/County, environmental impacts, DNR, MSHA, etc. The timeline was reviewed which included that already last spring they were looking into possible expansion. Property owner negotiations, coordination with State and local governments need to occur as well when working on projects. Per Tom Greco, Mississippi Sands has an outstanding record. He is hoping that public hearings will occur in September at the County level. Greco ended the presentation with an appreciation for the opportunity to speak.

#### **QUESTIONS/AUDIENCE RESPONSE:**

Chairman Schultz opened the question and answer section by asking everyone to phrase their questions to the company or to the Board, to state their name, and to not interrupt each other.

\*\*Jon Olson – offered his thanks to Mississippi Sand moving their sign in Thompson Valley. Hopefully there will be no more trucks going up Thompson Valley road.

\*\*Greco – I am sorry it took us a while to get that accomplished.

\*\*Olson – I talked to you at the last meeting and you moved it. Thank you.

\*\*Elva Helwig – My name is Elva Helwig. For those that know me, you know I live across the street. I have a major concern and I am nowhere near a sand mine. Back on June 15, 2014 my son and I were home and our house rattled as if an explosion had occurred. I contacted the County and was advised that I needed to contact the City. I did that and I did receive a call back from the company. At that time, and that there has been so many owners, I was contacted by the manager and it was explained to me exactly what had happened. There was a blast that did not detonate, and they had to de-detonate. I understand the situation. To preface where I am going with this is I was raised in California and have lived through many major earthquakes so I am very sensitive to ground shaking. On Thursday, June 4 at approximately 12:29 PM I was at my place of business which is the Arcadia Credit Union. At that time I was working with a member and at that time the ground shook. One of my co-workers who was in the office looked at me and said what was that? And I said they were blasting. Again, I do not live anywhere near a mine. I am not saying mining is good or bad. My concern is that on my property I have two homes. On those two homes there are two septic systems. What do I do as a homeowner who is not located near any kind of mine to be protected from blasts that occur away from the mining area? Because you cannot tell me that can't happen. The earth is going to shake no matter whether it's an earthquake or whether it's a blast. That's my concern. I want to be protected. We put a lot of money into having our homes and it's unfortunate that I have to make these comments, but I am concerned. I know you are annexed to the city, so if I have issues do I call you? Do I have a chance to get an inspection done on both my homes to get a baseline? That's my concern.

\*\*Greco – Sure. I understand and appreciate your concerns. If you ever have any issues you are welcome to call me directly. If I don't have the answer I will find out for you what the answer is. With that said as far as blasting we are under basically the state regulations, and within that those parameters are set to ensure that there is no structural damage within those limitations.

Helwig – I understand that but can you explain to me, and I don't need an answer tonight, but can you go back through your records on Thursday, June 4, at that time and look and tell me where they were blasting?

Greco - Yes

Helwig – So, if they were blasting at that location wherever that was, why would we have felt that? And it wasn't just me. Because this poor person on the other side looked at me with fear thinking what was that? We do have traffic from the semis coming by, we have loud noise when people drive by. I can tell the difference between when it's a big semi and when it was a blast.

Greco – Sure. Just because you hear a blast doesn't necessarily mean anything. I am not a blasting expert, but what I have dealt with consultants from Vibratex and again I come from a mining background, is that sometimes you will feel the blast, but you are actually hearing that. Your body may feel it as a body is extremely sensitive, but that doesn't mean that there is necessarily anything bad going on. Where the blast took place I can definitely go back and look. The results of that blast I can definitely go back and show you the results of that from a scientific approach through a monitor, a seismograph that also measures earthquakes to show you exactly what took place. So what I am saying is that I have to rely on science. I can't rely on what somebody feels. What I feel can be different than someone else and I understand that there were others around you. What I have to rely on, all of us have to rely on, is data at some point to say this can negatively impact a situation through a blast through a certain threshold and beneath that does not. And that is set by the state of Wisconsin. I have to abide by those regulations, and I am willing again to provide that information for the different seismographs that we have around our facility to prove that we are staying within the parameters. And that's the best answer that I have..

\*\*Elva Helwig –Again, I don't live by the mine so technically I shouldn't have to be concerned with those issues, but I am because of what has happened in the past. I would like to be able to go to your website or go to the Town's website and be able to see the dates that a blast is being planned so that we as citizens not living in that area or where you are working to be able to say okay, today are they going to blast.

\*\*Greco – That's fair. We can coordinate that. We can provide results of all the blasting. Our existing neighbors get notification. We have signs and we could post something on your website.

\*\*Helwig – that would be good, either the Town website or your own website on a monthly basis if you have them ahead of time to say you are going to be blasting those days so that I am aware of the blasting.

\*\*Greco – it does change sometimes, but I could at least give you 24 hour notification, something of that sort. And I understand your concern and I appreciate that and can address that.

\*\*Helwig – in my case I shouldn't have to worry about that.

\*\*Greco – understood.

\*\*Theresa Klonecki – I have a comment. One of our neighbors down the road, I don't remember the date that this happened, but I remember a blast that I thought something fell off my house. And I was scared to go out there and look so I called Jane Soppa across the road and she said yes they felt it. Well than a couple of days later I was curious. When I saw Sandy Filla out by the mailbox I asked her. There was a lot of traffic there so she said come on inside. When I was talking to her she said that blast felt like the floor was rolling. So I said what did you do? And she said I called the sheriff. So I decided from that time on hopefully the sheriff is going to document this.

\*\*Greco – We have the results of all those blasts and did receive notification that the sheriff did call, yes mam. We have basically the results of all the seismograph readings from those shots. Just to give you guys some more information we have since that time hired Vibratex which I spoke of earlier.

Theresa – are they from Winona?

Greco – No, they are a national company. The gentleman I work with is from the Chicago area. This is his territory and we have hired them to help engineer and design our shots to minimize the impact so I said earlier the fact that we have to stay within certain regulations. I also recognize people don't want to feel it. Even though it may not be hurting anything they don't want to feel it, they don't want to see it. I understand that. We are now designing those shots basically by putting different amounts of explosive. You can double-deck a shot for instance which is essentially creating two levels of

explosives versus one giant one that will minimize the impact of that blast. They are set to different millisecond explosion times essentially to try to put again science behind how we are doing things to limit the impact that it has to the local community. So again, we are not perfect. We are going to stay within the regulations. We are also going to what we can to try to minimize the impact. And I will put the information out there.

\*\*Patrick Styzewski – I would like to ask a question ...you put up all these monitoring systems for water just to keep checking on the water, right? That's your plan? In the event, God forbid, there was contamination now what's your plan?

\*\*Greco –Well, first off, we have spill prevention program in place that basically says that if we have any sort of contamination issue that we will address it in this manner and we submit that and get that approved by the state.

\*\*Styzewski – what happens to the surrounding neighbors?

\*\*Greco – In our operation luckily we don't have anything that's toxic. We are using water to clean.

\*\*Styzewski – worst case scenario...

\*\*Greco – I fully understand. I can appreciate that. In our everyday operations we don't have any toxic substances involved in our procedures so that concern for what we are doing on site on a daily basis is extremely minimal. We would have to have some kind of diesel spill or something of the sort that would seep through the ground into the water for that to really even be a circumstance that we would have to address from that standpoint. But again with that said we do have a spill prevention plan in place to clean that up immediately to dispose of that material in a certain manner so that we don't have any contamination. We would be subject to the state. I don't anticipate that this would happen. It's not a concern of mine to be honest.

\*\*Styzewski – there is a concern. People could lose their homes over this.

\*\*Karen Geske – I have a couple of quick questions. I see you are looking to add an additional 290 acres. What was the original site acreage?

\*\*Greco – approximately 150.

\*\*Karen Geske – And I thought I heard you say that that original site had 1 through 9 stages in it?

\*\*Greco – yes, phases.

\*\*Geske – What phase are you in currently...on the original site?

\*\*Greco – I think it's 4. I apologize I don't know the exact figure. We put about 1.25 million tons through our facility. We mine about 2.5 million tons.

\*\*Karen Geske – and what was your projection when you originally brought this proposal to put this mine in there. How many years you would have had reserves for at that time?

\*\*Greco – We started our operation in 2012 and it's a tough question to answer because really our facility demand for production levels is dictated by the market itself

\*\*Karen Geske – But I know other firms have brought forth projected amount to see that the reserves at this site for 150 acres you have a projection on what that could possibly be. So did you have one at the time when you originally started?

\*\*Greco – again that's a tough one. I am not trying to evade your question, but I didn't bring this for a permitting issue. . We took over the site later.

\*\*Geske- so maybe that could be something you could bring forward the next time you come?

\*\*Greco – certainly. Yes, most definitely. I can tell you that we have about 7 million tons that were initially permitted on that 150 acres.

\*\*Geske – and you have 330,000 tons that have gone out the door.

\*\*Greco – 430,000 actually.

\*\*Geske – This Impact Council that you were talking about...you have quarterly meetings. Where do you hold those and who attends? Is it just between like your business and the city or what is it currently right now?

\*\*Greco – Essentially the community council is set as a condition of the permit we received from the city. They established essentially the council...it consists of the board members within as well as some of the neighbors. We've got some of our neighbors that are on the committee that are in the crowd tonight. The City established the council; consists of council members and a few public people (neighbors).

\*\*Geske – and you meet quarterly?

\*\*Greco – Yes, mam.

\*\*Geske – Are you the person that's representing the company?

\*\*Greco – yes.

\*\*Geske - And then I was just wondering with this expansion how many notifications or how many landowners did you have to notify on that quarter of a mile? There are a lot of dots, but it's hard to tell how many there are.

\*\*Greco – In total notifications it was 136 or something of the sort. I don't know the specific number, but it's right around there.

\*\*Geske – Out of your business you said that 18 people were hired as your employees. What level of operation are they at within the facility? And I thought you said that 16 were someone else. What are the 16?

\*\*Greco – When we are in full operation approximately 40 employees that have fulltime positions that essentially originate at our facility. Not all of those 40 are MS employees. Not all of them get a paycheck from me, our company.

\*\*Geske– so out of the 40 then it's 18?

\*\*Greco – It's 18 that we had on site paid by Mississippi Sand. 16 were contractors that were doing the mining as well as some of the reclamation work on site. We also had some fulltime positions that were employed by the trucking company, hauling material from our facility.

\*Geske – I guess I forgot to ask you this. It was on my original question, but if you are permitted to go ahead with adding an additional 290 acres of land to your original site, and I understand earlier about what you said with the market and everything else but do you feel will be your projection since you are the man on board?

\*\*Greco – I understand. Again, it's a very difficult question to answer. Our facility from a production standpoint can do 200 tons per hour. We have never come close to being able to run that much and that's based on market demand. So I don't know how to necessarily answer your question. I would like to be operating right now. I would like to be producing and selling sand out of that facility. Because of the market conditions I don't have the ability to do so.

\*\*Geske – With this addition are you looking to operate this under County or City regulations?

\*\*Greco – the Town decides to permit or not, looking at any conditions they may have on how we run. We then submit that to the County. We go through essentially the same process with the County and then we hope to achieve the permits we are looking for to mine that acreage and go forward from there. So it exists between the Town and County, within their regulations.

\*\*Jon Schultz – Those are good questions. It can probably avoid us (Board) asking the same questions.

\*\*Joe Giemza – I don't remember the exact date, maybe the newspaper lady could help me with that. I read in the Trempealeau County Times not that long ago that you guys were fined by the state for a violation? Was that just one violation or was there more? I can't remember exact.

\*\*Greco – there was a breach of a berm within our facility immediately after I took ownership and control over the site.

\*\*Giemza – so it wasn't your fault?

\*\*Greco – No, I didn't say that it wasn't our fault because it was on our property. I am not going to ignore that fact. But I will say that we didn't have the ability to implement the best management practices that we now have on site. If that same rain event were to take place today we wouldn't have that breach. Let me put it that way. I am very confident that the way that we do things and the approach that we take we won't have that problem again. At that time we weren't at the same level we are today. We have learned a lot about the landscape. It was a newer operation. We weren't used to these conditions in the environment, of the site itself. It is unique. We don't have another site like this with this many rolling hills and changes in elevation. We have learned from some of that and we have spent a great deal of money to be honest, investing and making sure that we are controlling storm water on site. And we do not release any process water from our facility.

\*\*Giemza – that creek is very close.

\*\*Greco – very close, that is why there was a breach in the first place. And we now have a better system in place to ensure that doesn't happen again.

\*\*Giemza – Now this addition is across the creek...across the road. Boy, it looks like a bad situation to me.

\*\*SEH Rep – It's not like we are mining through it. We are stopping. There is a significant setback here so we won't be operating within that areal.

\*\*Greco – (*pointing to the map*) We are talking about this property line right here. Right through here there is another area that will show that it is away from the area so you can see there is a significant setback, and from the road as well. And like I said I think we've developed a system of containing any of that storm water in a much better manner for instance when that event took place. Also, the conditions were pretty significant as I recall something of a very unique and great event to the point where I believe 4 or 5 different operations received fines from the state at that time because



of that one rain event. So again I am not trying to avoid responsibility, but nonetheless it was an extremely unique rain event. I don't know if it was a 10 or 100 year rain event but it was very unique. And that's why we are taking the time and spending the money to design an appropriately upfront.

**\*\*Beth Killian** – I actually only have one question. Now something that Karen said has made me think. About a year ago or so the 3 property owners that are involved in this expansion had filed a unanimous petition for annexation to the city, but that was put on hold because of the moratorium and I believe these are the same property owners so I am wondering when that moratorium ends in September is that going to be now annexed in with the rest of the mine to the city?

**\*\*Greco** – No, I don't have intentions for that. I think the climate has actually changed a little bit in the way that mines were being permitted and the process of going about that at the time. We met with the department of land management at the County, sat down and had conversations with them about how they would like to see mines go forward. As I understand their intention is to have acreages stay where they exist today and abiding by that the acreages that we are looking to permit currently exist within the Town and our goal is to keep them where they exist at this point. I don't plan to have any acreage annex to the City.

**\*\*Beth Killian** – Thank you. That gives me a little relief to know that we won't lose any more land to the city through annexation. Now back to my original question. There was a road use agreement for Thompson Valley road which was prior to my becoming Clerk. I think we had this conversation last November or December when it came to the big final payment to Hegg Construction Mississippi Sand paid the Town and then we wrote a check to them and that's when I became aware that in the road use agreement the Town would receive 15 cents a ton that we were receiving for that frac sand account would no longer be coming to the Town until that full amount and I don't remember what that was exactly for the road construction for that little tiny piece of road was paid off. So, something to think about, I don't want this to sound bad...how is the Town going to benefit with this expansion because we won't be seeing anything for road tonnage, but yet we are going to be having more sand removed. Is there going to be a new road use agreement for that new tonnage?

**\*\*Greco** – Well, I understand the question. As far as that is concerned the longevity of the land we are on the more tons we put out of our mine benefits the Town by each ton that goes out the door through that agreement at 15 cents a ton. That was the agreement. Extending the longevity of that extends that contract or agreement.

**\*\*Killian** – But what I am confused on and would like some clarification is that like you said or what Ivan said about how many feet of road, it's going to take many years to recoup that money and the ton receives any additional money from tonnage. I assume that the money put in that frac sand account from Mississippi Sand is for Thompson Valley Road. What if there are some more issues on the rest of Thompson Valley Road coming up to 95, is the Town going to have to absorb those improvements? Because there won't be enough money with only \$5000 or \$50,000 or whatever to do any more construction for the rest of the road.

**\*\*Greco** – Sure. As far as the funding I believe it's open to the Town's judgement as to how those funds are allocated. I don't know if it has to go to Thompson Valley Road. I am not certain. I know that the agreement to bill us, paying upfront for that project in place initially wasn't supposed to be that much, not even close, but the agreement said we needed to pay that upfront. We didn't choose the project or the contractor in place to do any of that, and we didn't evaluate that, but we certainly paid for it. So as far as that project specifically concerned we were just following the agreement in place at that time. I guess I don't know what else to say to answer the question.

**\*\*Killian** – And we would hope that somebody before you knew about road use agreements to put that agreement in place so you can follow it.

**\*\*Greco** – yes I knew that they worked with the Town to accomplish that.

**\*\*Killian** – thanks for clarifying that.

**\*\*Ron Tuschner** – I will speak first to that last question being that I was one of the Board members. Anything that happens from point of entrance to Highway 95 is the sand mine's responsibility to fix, maintain, including the bridge. I just wanted to make that comment to clarify that. The mining reclamation you mentioned x number...Karen's question what's the practice to remove the overburden, etc. Are those local contractors?

**\*\*Greco** – yes sir.

**\*\*Tuschner** – They are in our County, our community?

**\*\*Greco** – yes, sir.

**\*\*Tuschner** – point being they are not out of state, out of site, it's local people.

**\*\*Greco:** yes sir.

\*\*Tuschner – The permitting through the County and I don't know if you want me to mention this or not but I will, but it was the request of our Board when we first found out about you're wanting to expand that you stay within the County. That was a firm request from our Board to you. And I thank you for honoring that, and keeping that request. I just want that to be known.

\*\*Greco – yes sir.

\*\*Tuschner – the penalty for the break or breach that Mr. Giemza talked about...I can firmly reaffirm that it was not your fault. There was a catch in between ownership and I will leave it at that. That can be clarified through the ELCU department. You spoke about monitoring wells which I think are wonderful just for the safety of our constituents. How many do you have proposed on that site to monitor?

\*\*Greco – on here we have five. Again we will be working with the County and see how they react to our proposal.

\*\*Tuschner – The blasting. We heard it when Elva spoke about it earlier. It was a concern of ours. And I take that very, very seriously. But I just want people to know that the way the crow flies from where I am, where my farm is from the Kraemer Company when they blast I can feel it at home. I can not only hear it, but I can feel it. I can feel the earth tremor, but I can feel it. I am just saying I am a far distance away. And I hear what she is saying, I concur with her, but scientific evidence and how to prevent it is an excellent way to go. Not just by hearsay. Thank you.

\*\*Ed Patzner – When you are talking about dynamite GNP having problems every time you dynamite. Sand gets in there every three hours they have to pull their screens out to clean the sand out. If you don't dynamite it goes away so a few days later it's pretty good. Now you cause a lot of problems for these people. They have to spend extra time and then Tuschner talks about that he doesn't have any sand, it's not bothering him. He's far enough away. These people that are closer it stirs up the ground and brings sand in their wells. It's miserable. You must have heard about it.

\*\*Greco: I don't necessarily agree that our operation or blasting causes problems.

\*\*Patzner – Don't tell me that because they didn't have any trouble until you dynamited. So you know it's the dynamite that's causing problems. I have a son that works there that's how I know.

Greco – I would be happy to listen. If there is a sample or something I could see.

\*\*Patzner – I have another question to ask you. Are you selling any sand at all? Other plants? Do you have a long term contract?

\*\*Greco – Yes. We have some customer relationships that involve contracts, yes. Let me go back to that whole production thing and the sale of sand out here. I didn't spend the money that we did to let it sit dormant. I have no desire to see that facility sit there and not operate. It doesn't benefit me, it doesn't benefit any of the guys that I have had there for the last three years that work for me since 2012. On that site it is in our interest and in their best interest. It doesn't do me any good, so that is the last thing I want to see. I am the first one that wants to see us producing and selling sand out of that facility. And if the market allows I can guarantee you.

\*\*Patzner - What do you have to have pricewise per barrel to continue?

\*\*Greco – I wish I knew that. If you have that answer you and I need to talk after this meeting.

\*\*Patzner – what were you operating before when you were selling sand, what were you getting?

\*\*Greco – the price varies. Right now as far as the market is concerned the price is the lowest it's been in 5 years. The number of rig counts it's the lowest it's been in December. And we are still climbing out of that. Now granted we have seen it take off in some of that lately, but you have all seen the price of oil. You recognize the benefit at the gas pumps.

Patzner – you've got a lot of surplus out there you know. Barges are sitting out there on the ocean full of oil.

\*\*Tony Przybylla – You said you had 18 fulltime employees on your payroll, right?

\*\*Greco – we did.

\*\*Przybylla –So far in 2015. Has everyone been paid the same or do you have you like a manager who is making three times as much as someone else? I guess what I am getting at is what is your hourly wage? Are you paying a decent living wage?

\*\*Greco – I would think so.

\*\*Przybylla – what is it?

\*\*Greco – You can ask one of the employees what they make if you like. I don't think I am in a position to share what each individual makes.

\*\*Przybylla – I am not asking for someone's name.

\*\*Greco – I understand.

\*\*Przybylla – somebody walks in the door and they get hired. What are they looking at?

\*\* Greco – well, it depends upon their skill set, what they bring to the table for us, also what experience they have had and how they fit into our operation. Said it depended on the skill set; paid on a scale. So they are paid on a base like everyone else does, based on those variables. Is there another piece of the question I can answer?

\*\*Przybylla – I am just wondering if you guys pay any better than Ashley Furniture? Is it a better job for the community than the jobs that are already here?

\*\*Greco – We provided jobs that are not here is the best answer to that question.

\*\*Przybylla – with your selling sand at other locations, not this one, are these 18 employees on unemployment at some point? Or are you paying them? Are they getting some sort of salary with the expectation of getting up and running soon?

\*\*Greco – no we don't pay them on a salary basis. We are paying those gentleman on an hourly basis and as I mentioned earlier it's extremely difficult to have guys that have worked for you for the last three years and to tell those guys unfortunately tomorrow we are not going to be working. Would I hinder them by not allowing them to go take a position elsewhere? No, I would not do that, and I can't although I really value their experience of those individuals, those guys that have that knowledge. So, to answer your question from a financial standpoint I can't pay an entire payroll of guys to not work. That would break my company. That would break us, and that would give us no opportunity to continue to operate here for the long term. So I can't do that.

\*\*Przybylla – You mentioned MSHA and that there were no violations. Was that any of your mines?

Greco – No, that's this facility.

\*\*Przybylla – and you have been there for 3 years?

\*\*Greco – yes sir

\*\*Greco- Mississippi Sand has not been issued an MSHA violation on that site since we took ownership of the site.

\*\*Przybylla – What about other sites that you have?

\*\*Greco – Yes, MSHA did issue a violation. Let me ask you a question. Do you know about MSHA and how they go about what they do?

\*\*Przybylla – not exactly. How many times have they been on site?

\*\*Greco – They mandate that they come at least twice a year.

\*\*Przybylla – Have they been there more than that?

\*\*Greco – I don't know to be honest. I apologize that I don't know the answer. Let me back up. The vice president of safety and regulatory compliance was the gentleman that was with me during the last meeting. He was supposed to be here, but he had a medical emergency. He would be able to answer that question, and I will get you an answer to that question.

\*\*SEH consultant – It's my understanding that they can approach the site anytime they want.

\*\*Przybylla – I just asked how many times they have been there.

\*\*SEH – at that point they didn't have records to say how many times they were there and if they signed in or not.

\*\*Greco – to tell you the truth it's on the website. Go look at their website. MSHA has to essentially post all their activity. So it's on the website.

\*\*Przybylla – thanks. Now with the expanded mine and the half mile circle...

\*\*Greco – they expanded area is this, and this is the original site (referring to map).

\*\*Przybylla – Yes, but I am saying the half mile circle from the mine. How many homes are in that area, roughly?

\*\*Greco – I don't know.

\*\*Przybylla - You had mentioned earlier that you notified like 100 landowners or something like that

\*\*SEH - We had notified them much farther than this, 1 mile, but remember there are a lot of houses within a mile especially when you start getting in the city and things like that. This area is showing potential wells that Tom had asked us to figure out a baseline for.

\*\*Przybylla –Well I understand that, but what I am asking is that if there are over 100 homes?

\*\*Greco – no. Let me clarify that. People notified were property owners, not necessarily homes...property owners.

\*\*Przybylla – over 100 property owners.

\*\*Greco – yes sir.

\*\*Przybylla – how many property owners would be within a half mile of the original mine site? Does that number drop drastically?

\*\*Greco – I'll be honest. I haven't looked at the residences between the two.

\*\*Przybylla – How many miles are within the existing site and how many more are affected within half mile of the expanded site? I would think it would be pretty easy to figure out.

\*\*Greco – I am certain that we probably could.

\*\*Jon Schultz – So Tony you are asking the number of homes within half mile of the existing site and half mile of the expanded site. Tony – how many more homes are going to be affected?

\*\*Greco – I understand, yeah we will get access to that data somewhere and will be able to find it.

\*\*Przybylla – As far as the reclamation to go back to ag land, how many years do you think it will be when you can actually plant a crop of beans?

\*\*Greco – sir, I am not a farmer.

\*\*Przybylla – in the mining process you had to have some experience with that

\*\*Jon Schultz – I will jump in here. So Tony that state rules concerning reclamation say that the landowner or controlling entity of the property or project gets to determine to what purpose or land use the reclamation is towards. There is no mandatory requirement that goes back to ag. Ag can quality as pasture. It's a pretty loose definition.

\*\*Przybylla – So that's something that you guys decide later between you and the landowner.

\*\*Greco - We essentially put a plan in place for the reclamation. It's one of the biggest components that goes to the County is the reclamation plan. And then we propose to create the circumstances that go along with that.

\*\*Przybylla – so has that been drawn up yet?

\*\*Greco – Yes, we are trying to finalize everything

\*\*Przybylla - So at that point you would know if you are going to take it back to pasture land or a corn field? You should have a projected point to know when you are going to plant that corn.

\*\*Greco – it all depends on how the mine progresses. So from a timing standpoint

\*\*Przybylla – I am asking from when you reclaim it. I am not asking at what point you are going to be mining years from now. I am saying that day you turn that over and say it's reclaimed and if you are projecting that to be a cornfield which apparently you need to do with your permits now, right?

\*\*Greco – Well, our permit now need to include that.

\*\*Przybylla – so am some point you need to know how long is it going to be from when you get done with when that gets reclaimed how long will it be before a cob of corn grows? If you reclaim it as a cornfield is it going to be 75 years before it grows or two years?

\*\*Schultz – Tony, I guess the point I was trying to make is that at the Town or County level we are not allowed to control what it would be reclaimed toward.

\*\*Przybylla – What you are saying is that the landowner, whoever owns the property, will determine to say okay, that acreage is going to be a cornfield.

\*\*Schultz – what I am saying is at the Town or County level we are not allowed to make that decision. The plan can change as time goes on. There is no way we can hold them to that, and the purpose of that is because their plans may have to change based on realities. Fundamentally according to statute we just can't do that.

\*\*Przybylla – ok. I am just asking what their ability to reclaim is. How close can you get it to crop production?

\*\*SEH – I can help with this, and hope it will satisfy your question. You are absolutely correct. Agricultural use is important, but it is really up to the landowner. Are you familiar with the 590? Do you have an agricultural background?

\*\*Przybylla – no.

\*\*SEH – so the guys that are here that understand a 590...a 590 is a plan by the state of Wisconsin. We work with the ground as we are reclaiming it to develop the nutrient of that property. So once that topsoil is back on top, you go back through and figure out what nutrient does this topsoil still have. At that point you can amend. You can put in manure, or you can use artificial fertilizers, things like that to bring it up to the right nutrient value that meets the crop production criteria of whatever that crop is. If they want to plant soy, corn, hay, whatever they want to do that's determined by the property owner. We reclaim it by putting all that topsoil back, and then the owners decide this is what they want to grow and now I have to develop a plan to make that happen. So no one is trying to avoid anything it's just that it's really unique.

\*\*Przybylla – I am not asking what they want to plant, I am asking how quick you can get the property back to farmland . As you are planning this you must know what the landowner wants to do. Can this go back to being row-cropped?

\*\*SEH – it boils down to what kind of nutrients are there, and what the landowner wants to build it up to be. It depends on the owner and how they want to make that happen. There is no magic formula.

\*\*Przybylla – mining in general, can you get it back to cropland or will this be permanently grassland?

\*\*Schultz – I think people hope so.

\*\*Greco – First off I haven't been mining my whole life. I worked in a different company prior to coming to Mississippi Sands. I worked for a railroad prior to that. So don't hold that against me. Nonetheless as far as the reclamation we are all concerned. We have worked on properties that have not been converted back to ag land. For instance our reclamation plan in our existing facility calls for a subdivision. So I apologize...I don't have the answer.

\*\*Donna Brogan – I have sat in a couple of meetings at the County level, and people from Kevin Lien's office stated that you could do something like putting in an agreement that the land will achieve 75% of the current yield after a certain amount of time.

\*\*Ed Patzner – a lot of land out there doesn't have a lot of topsoil. You will have to do an awful lot. Who is paying for that?

\*\*Bob Kupietz – how old are the laws on your blasting? Since when has anything changed in them laws?

\*\*Greco – I don't know when the last changes were made. I would have to look back with the state to determine when they set those laws.

\*\*Kupietz – Are you subject to change to what our Town Board wants? If they change some rules or the County? I would imagine you would have to go with the County to change some rules.

\*\*Schultz – I am correct that the Town or County has no authority. It's the state.

\*\*Kupietz – I don't give a \*\*\*\*.

If the state laws were to change that would impact their operations.

\*\*Kupietz - the blasting that you felt did not register on their monitors. If it registers you better hold on to your hat and your house. Are you subject to change if they make changes? Get that governor in here. You've got the best sand mine around here, but don't shake my house.

\*\*Greco – we are working on it sir. I apologize if we have had an incident in the past. That was not up to our standards.

\*\*Mike Chitko – Of the 160 acres that you originally had, how many acres have been mined and how many have been left alone?

\*\*Greco – I haven't gotten through them all yet. But we do have similar setbacks which is shown here. So essentially we have areas here that were not mined as well. I don't know exactly how many acres were actually mined through the original 160 acres or what that percentage is. But you are 100% correct assuming that it's not all 160 acres. no answer

\*\*Chitko – Do you know of the 290 additional acres how many of those you are going to turn over?

\*\*Greco – we can find that out. With the modeling here we can find out exactly what that acreage mined will be. These gentlemen will get that answer.

\*\*Chitko – in the last three years you guys have operated the mine...has it been three years?

Greco – since 2012

\*\*Chitko -- Without regards to incident, anecdote or hearsay, what type of...have you affected any wells in that area?

\*\*Greco – no, not to my knowledge. Like I said, we started off with I think it was 5 wells for inspections. We have not seen any negative impact to any of them. The answer is I don't know of any.

\*\*Becky Larsen – I really like the comment that you made about the rolling hills and the change in elevation and so do I, but we're on opposite ends of the pole for different reasons, but I appreciate your presentation. How long has MS been on hold?

\*\*Greco – just a couple of weeks.

\*\*Larsen – So when you are on hold does that mean that everything stops or just a couple the drying plant?

\*\*Greco – right now it's unfortunately everything on site.

\*\*Larsen – So by expanding is there a possibility that some work may take place on the expansion even though the drying plant is on hold?

\*\*Greco – well the expansion is really the permitting of additional acres for use as we move forward and to extend our longevity as an operation. So, would it immediately affect additional acres? No, it would not. Did I answer your question?

\*\*Becky Larsen – Then that’s why I am having a difficult time because I don’t see the need for an expansion right now.

\*\*Greco – I understand that, but just to put some financial information behind it...essentially we spent 15 million \$ on dry plant. We don’t have sustainable reserves for the long term. That makes it very difficult for us to recoup the investment. And it creates sustainability for our operations as we move forward. That’s the purpose of it. Providing the market cooperates better than it has in the last couple of years. From a market standpoint I don’t want to wear everybody out with these comments, but it is the worst we have seen things in the last 5 year. I think it’s a unique situation.

\*\*Larsen – I like the price of gas.

\*\*Kay Pronschinske – Becky hit somewhat on what I wanted to say. You said on the first 150 acres that there are 9 phases here? And you think you are on phase 4 so the three years that you have been there you have gotten through 3 phases. So 6 more years...there’s not enough production or quality of sand there to sustain you for 6 more years to have to want another 290 acres?

\*\*Greco – I don’t know if I understand.

\*\*Pronschinske – Ok. So how many phases are on the 290 acres? I missed that part.

\*\*Greco – Ten approximately. Those phases are somewhat arbitrary.

\*\*SEH – Can I answer that question? Actually I am curious about the question regarding phasing. The phasing is determined by what comes out of each one. It’s not like this phasing has the same amount of tonnage as the other phases. It’s not by tonnage. It’s not based on production, it’s based on things like natural ground breaks, where we can cut off and not affect the drainage for that are versus this area. It does affect some tonnage and what we can expect. This one we can close up fairly easily. It’s kind of a long drawn-out...this is the best management sense in operating these phases.

\*\*Pronschinske – one phase could take 6 months while another one you could work on it 12 months.

\*\*SEH - Sure, depending on what you are trying to accomplish. Remember, some of that phasing too could change. So as an example if they are running through these phases then they determine later on that this phase would be better hit than the other phase we could make that modification because of operations. But, they have to be reclaimed the same way. That’s the way the phases are shown. So, basically if the County says this particular phase right here...are you familiar with bonding and reclamation? So the bonding and reclamation has to cover the open acreages that’s disturbed. So if you going down the road that it’s only tonnage that is not the case. It’s based on a bunch of different things.

\*\*Bob Kupietz – Ok, you know there is a problem on Thompson Valley road. If I was a businessman don’t you think I would fix my problem? You guys are going to have to fix that road. This \*\*\*\* has to happen.

\*\*Schultz – Bob, you have got to watch your language. You are setting a bad example as we have some children here.

\*\*Kupietz – sorry.

\*\*Schultz – Bob, that’s going to have to be two strikes there. I don’t know if we will be able to get back to you. (Moving on to next person...’I’m sorry. I didn’t catch your name before.”

\*\* Patrick Styzewski – It’s Patrick Styzewski.

\*\*Schultz – Patrick.

\*\*Patrick Styzewski - You claim that there have been no instances of contamination, correct?

\*\*Greco – No, not that I am aware of.

\*\*Styzewski – And I assume that will never happen then, right?

\*\*Greco – I would like to assume the same.

\*\*Al Woychik – why did you build such a large facility if you didn’t have enough acreage?

\*\*Greco – Well, I think that the process was to work with the landowners and understanding what their desire for their property was, how we could potentially utilize those reserves. And in knowing so and the way that we do business and our track record of being a responsible operation I would like to think that we do things the right way. I think it shouldn’t affect anything other than to have the permitting that we need to continue to run our operation.

\*\*Woychik – When you ship how do you ship?

\*\*Greco – When we ship at our facility everything goes by truck right now. It’s going over to a train in Winona to put on the railroad over there.

\*\*Woychik – what is the future for that being that most of the big sand mines are next to a railroad spur? The future of trucking I think is short-term.

\*\*Greco – on the logistics side from the longevity of it that's something we have to look at is how to become more efficient and really limit the trucking dollars that we spend getting that material to the destination market. We are constantly trying to improve our efficiencies from a logistics standpoint, and what I mean by that is to spend less money so we get to the market more competitively which help makes our product more viable and helps keep our guys working on site. These are all goals that I am working on.

\*\*Woychik – One more question. You've got 4 people here. Is it possible to get the phone numbers?

\*\*Greco – yes, you can have my card, sure. Yes we have all the contact information.

\*\*Ron Tuschner – There was a question about sand in the water before. I am again away from your mine site, miles away as the crow flies. And we had to drill a new well because of the sand in ours. Can he come to you? I think that's a far question. I'm serious. When my parents lived in town they had shallow well, a sandpoint well. And we had to drill a well when they blasted up there too. But there was no way that we could retrieve that cost. Who can I go to? Can I come to you for the expense of my well? I'm serious about this. It costed us just about \$12,000 to drill a well on our property.

\*\*Greco – I guess to answer your question there are there are natural occurrences which are affected by activity and by the natural revolution of the earth that are not caused by our operation. To your point, when wells have sand in them surrounding this area, I can't take responsibility for all of those.

\*\*Tuschner – And I understand that. There was another question. For those of us who are in business, yourself or even us farmers...when we started farming 30 years ago we could survive on 60, 70, 80 acres of tillable land. We no longer can because of what you are talking about the longevity of your operation 10, 15, 20 years down the road. To survive mandates that sometimes we get larger. We work more for less but we have to be able to produce it for less. That's business.

\*\*Greco – that's 100% true. To speak to the point of what was just said it's the same with production. We have to constantly be better at what we do in order to be a viable business within our market. I think that as you said all business people focus on that. Becoming more efficient is what it's all about...doing more with less. It's an active progression of any industry.

\*\*Tuschner – the question I have is how many times...how long has your company been in business?

\*\*Greco – we produced our first ton of sand in 2008, so a little over 7 years.

\*\*Tuschner – okay, I am believe your comment was that this is the worst downturn that you have seen time in quite some time.

\*\*Greco – in the last 5 years this is the worst that the market has been from an activity standpoint as well as a pricing standpoint. Within a certain range of the last 6 months.

\*\*Tuschner – You made a comment to become more efficient to be more productive. I relate that back to my operations. We have to plan ahead for survival. And I am assuming is this your plan ahead for survival in the future?

\*\*Greco – yes, most definitely. Again it's an extension of our facility to keep it viable as long as we can.

\*\*Tuschner – thank you very much.

\*\*Luan Woychik – I just have one question. Can you please leave some recommendations from communities that you have worked in before? Can you leave that with our Board so that if they would like to contact them? I don't care if it's in Texas or Pennsylvania or Ohio...some community that you have done worked in before.

\*\*Greco – we can do that. We have operated since our inception down in Festus, Missouri . We've had nothing but good relationships with the folks down in Texas as well.

\*\*L. Woychik – I just think we need to do some researching on our own. It's like when we hire someone we like to do a background check

\*\*Greco – certainly.

\*\*Joe Giemza – I listened to your presentation and you were excellent, but I am going to give you my opinion on what you are getting at with this expansion. Your operation here is shut down, your other two operations are operating. By putting \$15 million into this drying plant you need an expansion but is your goal after getting this expansion to make it look so attractive on the open market you can turn around and sell Mississippi Sands for a huge profit?

\*\*Greco – my objective is to look at sustainability of our company. I'm in charge of capital planning and development. So my realm includes the growth of our company, not to put ourselves in a position to sell. So to answer your question I look at this and say I need to not only recoup the costs of putting additional equipment on site but also create the viability for

ourselves in the long-term. To sell is not my focus at all. Our focus is on long-term, and what we are doing here on site as well as what we are doing in the community.

**\*\*Giemza – bottom line is profit and if you put it out there on the market, and someone gave you a profit, would you take the money and run?**

**\*\*Greco – we are not a non-profit organization. Yes, as a business we are focused on making a profit. That has to be my goal. But as far as us moving forward in our objectives, my objective is to create a long term facility.**

**\*\*Giemza – I was just wondering where you were going with this expansion...if you were trying to make it look good on the sale side.**

**\*\*Greco – I am just trying to get these guys back to work. That's my goal.**

**\*\*Karen Geske – Earlier tonight I talked about our accounts and that we have on-line and I enjoy reading over them, but I am just wondering I noticed in our annual report there was \$200,000 with the agreement that, and I am not sure if you are the gentleman that did the agreement with our Town, probably not, I am wondering if there is any way that within this proposal that your company would be willing to renegotiate on our road use agreement? I am trying to think if I have this correct. You can clarify it, or anyone can. But I thought I saw on our annual report that the Township built the road, and I think it was \$330,000 on the books and that Mississippi Sands was paying the Township back for that road as they built it for that business. But if you are not operating we are not getting paid. I know it has to do with the market and everything else, so I am just going to give you my personal opinion. I know I am not the only one in the Township who feels that if I wanted to do a business and I wanted to have a loan or something like that done for me, I would go to the bank I wouldn't be able to say now wait a minute here I'm not making any money so I can't make my loan payment.**

**\*\*Greco – we pay for the road upfront.**

**\*\*Geske – so what is the \$330,000...what is that?**

**\*\*Greco – I don't know.**

**\*\*Ron Tuschner– there was a total cost of in that road which included the engineering fees, Ayres Associates, there was an onsite project manager when that road was being re-done. Hegg Contractors out of Hegg, Wisconsin are the ones that bid. Everything came through the Town because the Town wanted the responsibility of getting that road done the way it should be done. And that is why some of the previous questions tonight might involve Ayres and Associates. Then everything came to the Town and we automatically forwarded it to Mississippi Sands for them to reimburse what was billed to the Town in full, and then we are recouping our 15 cents per ton and I believe there is a ledger and Nancy is probably keeping it how it is reducing every month. But the Town didn't pay that, the company paid it upfront.**

**\*\*Geske – okay I thank you for clarifying that. So then the company paid the cost of the road upfront, but now am looking at it and wondering what kind of benefit we get because we built the road for the mine, correct?**

**\*\*Tuschner – incorrect. It's for everyone to use.**

**\*\*Geske – But we did the major roadwork because of the trucks that were going to be going down the road. That's what I am wondering. What I know is that the general consensus from quite a few of us is that it's going to take a long time to recoup that money especially when it's not operating. That's why I asked for a breakdown earlier of those accounts so we as residents of our Township can see how much we are getting paid back. I find it as an odd deal.**

**\*\*Greco – I understand. Again, we paid for it upfront so it didn't cost the Town. Secondly we are not wearing out the road with truck traffic on a per ton basis or utilizing the road then the residents get to enjoy the benefit of the re-done road and we are not continuing to put any traffic over it. We are not wearing it out any further without paying for it.**

**\*\*Geske – I understand that. I have seen other agreements in other Townships and a lot of times it goes through the County as the County roads are a big expense and concern.**

**\*\*Tuschner – I just wanted to clarify Karen's concern if I may do that on top of yours. Monies received from these road use agreements go into a specific road use agreement per the Town road. They are not lumped into one that was not done before. River Valley was on its own, Thompson Valley is on its own, Soppa Road is on its own also. With monies received from that road use agreement went into that specific road use agreement, period. We didn't lump them all together so that we could keep track of them. Thank you.**

**\*\*Mike Chitko – People get worried about 24/7 operations. But what operations specifically are you doing and at what times of the day are operations going or have the ability to work 24 hrs?**



\*\*Greco – First off mining blasts were not done during then. The wet plant itself which is essentially does the processing of the mining material the cleaning and the initial sizing could be done at night. The dry plant is only run during daylight hours. That could be done at night, but hasn't been this far.

\*\*Chitko – So you really haven't done a 24 hour operation yet?

\*\*Greco – not from a dry plant perspective.

\*\*Chitko – and this is a what if question...what if you had a rail load out facility that was a lot closer than going to Winona? Would you look into using any access facility that was closer?

\*\*Greco – It would be hugely advantageous for us. Yes sir.

\*\*Tony Przybylla – With your other facilities, assuming you haven't had any well issues here in Arcadia, right? You have two other mines, correct?

\*\*Greco – We have one other mine. The other is just a production facility with a dry plant so it doesn't have the wet plant processing.

\*\*Przybylla – Have you had any groundwater issues anywhere else, never had to replace a well for anyone?

\*\*Greco - no.

\*\*Przybylla– how many people does Mississippi Sand employ on your payroll throughout the country? How big are you guys?

\*\*Greco – approximately 50 employees. It fluctuates based on our activity level

\*\*Przybylla– so a half or third of your employees are here in Arcadia when you are up and running?

\*\*Greco – Yes, I would say so, Tony, that's fairly accurate.

\*\*Przybylla – ok. And roughly how many MSHA violations have you had in your other facilities?

\*\*Greco – I would have to go look it up. We will get on the website together and go look it up. I am not certain.

\*\*Przybylla – Have you ever had any real serious accidents or any fatalities in your facilities?

\*\*Greco – There was one fatality, yes.

\*\*Przybylla – what facility was that?

\*\*Greco – that was down in Seagraves, Texas.

\*\*Przybylla – was that a mine or just a dry plant?

\*\*Greco – It was a dry plant. It was actually not in the dry plant, it was involving a rail load out.

\*\*Przybylla – okay. So never a well issue?

\*\*Greco – no sir.

\*\*Przybylla – have you ever been accused of having well issues? I am talking legitimate issues, not in a meeting like this. Any legal action taken towards you or anything like that?

\*\*Greco – not that I am aware of. Maybe you know something I don't.

\*\*Mike Chitko – Tom I don't know if you know this number or not, but what sort of property taxes have you paid to the city? What does it amount to per year?

\*\*Greco – I don't know the number off the top of my head. They are public record, I can find out.

\*\*Ed Patzner – Now you are operating 24/7 with the City, right? You can.

\*\*Greco – we have.

\*\*Patzner – But the County does not run 24/7.

\*\*Greco – I don't know if that's a stipulation ...if it's a shipping stipulation or a production stipulation . I believe they have the opportunity.

\*\*Patzner – production. I believe you have to stop by 6 or something like that. Maybe you can start at 6 in the morning. You cannot run trucks 24/7 hauling sand.

\*\*Jon Schultz – I think what Ed in terms of County permitted land for mining and how that works in relation to the City.

\*\*Greco – so our operation exists within the City as everyone knows, these are within the County (map). Our mining is all done during daylight hours. I don't see why we would change that to be honest since just the mining phases would be in the 290 acres. I would look for us to continue to produce or mine that is during the day. Our plan is to operate the way we do today, to be mined during the daylight hours.

\*\*Patzner – You are not really profitable, and you don't want to really move, you just want to go 24/7.

\*\*Greco – I think that we can still get done during the day as far as because you have to look at the capacity of our facility. I see it being a facility that will operate during the daylight hours.

\*\*Schultz – does anyone else have any questions? Second call.

\*\*Ron Tuschner – I think we have gotten a lot of information here. That is a comment.

\*Schultz – Yes, we have gotten a lot of good questions tonight. Third call for comment or questions.

Public questions ended at 9:58 pm.

The Town Board then took turns to speak.

\*\*Barb Tock - First off I am very disappointed in the amount of material we have to review. Everything we've got here is maps and I happened to be reading through our policies. We are supposed to be getting a formal presentation. What are you going to submit to the County? Is this what you are going to submit to the County? I don't think so. I don't think they are going to be satisfied with what we have here. There is a minimal plan requirement on metallic sand mining. There are 26 things that are supposed to be submitted to the Town of Arcadia. I don't see that here. Like I am saying I would like to make a very strong point that I am disappointed. I don't know if I can make a decision with the amount of material that has been sent.

\*\*Greco – okay. To speak to that, my understanding is that we were following the policy.

\*\*Barb Tock – you are not even close.

\*\*Greco – is it on your website?

\*\*Jon Schultz – I think where the potential confusion here is that you have addressed these questions, and you are certainly willing, able and capable to address these, and I think you have done a good job of speaking and presenting and answering questions. But I think Barb was hoping that more details would be submitted to the Town.

\*\*Greco – so you are looking for essentially a package that addresses each one of those items.

\*\*Tock – sure. That's what I have seen. Other mine presentations for expansions have had a binder this big. Not that I am saying that I would like to go through that much material, but there is a reason that is being submitted. The public is supposed to be able to see that, we are supposed to have access to it at least two weeks before the presentation. That's not here.

\*\*Greco – I apologize if we misinterpreted how this is supposed to go. If you had requested a copy of what we have I'd be happy to give that to you once we have it fully finalized. I apologize we didn't meet your expectations.

\*\*Tock – well you didn't.

\*\*Greco – and the verbiage that I read on the website in regards to what these meetings entail I felt that we accomplished that. If there is a misunderstanding I apologize.

\*\*Schultz – to clarify the recent application I will relate to Canadian Silica, Darlene's project. It's a pretty thick binder. It has public records so actually tonight you guys can take a look at what they submitted. If that helps. We can certainly look into this tomorrow as it is late. So that's available too. We have seen in the last 4 or 5 years the meetings change and the content of the meetings and the questions. And the details of what's been provided have changed too.

\*\*Greco – I fully appreciate that. I apologize that you don't have that in your hand today, but I will get that to you.

\*\*Tock – It's not just to me. You are supposed to provide 4 copies, and that's available to the public for a period of time to review and generate questions and concerns. A handout with quite a few pictures is insufficient

\*\*Greco – well if it's insufficient then we will provide that information that you are looking for. Obviously I guess by me being here today I am not trying to shy away from anything. You'll have all the data that we have provided tonight and any additional details that you would like.

\*\*Tock – Some things that I didn't hear you address...How are you getting the sand across the road from the Waldera property?

\*\*Greco – We've talked about essentially slurring that material and creating a pipe that allows us to get that to our existing production facility.

\*\*Tock – and that's in your proposal?

\*\*Greco – yes.

\*\*Tock – Is there anything about property value guarantees?

\*\*Greco – I don't think we addressed that in our application.

\*\*Tock – I know it's not a requirement for the County, but it is of interest to me. There are some people that are very negatively impacted by the new proposal boundaries. I have had some people come to me with concerns. It's just something that people have interest in.

\*\*Greco – To be honest I can't speak intelligently to the real estate values of the properties around our facility. I haven't studied the existing valuation of the I don't really know how those properties would be affected by our operation moving forward. I don't have an educated opinion on how those houses should be valued. Do you have a process?

\*\*Tock – Other mines have made presentations as far as how they would pursue property concerns. I have been at a number of City meetings with presentations from their 3 proposed annexations and there have been some discussions there about the values right within the proposed City ordinances where there is information. It's not passed, but it's in the works.

\*\*Tock – how many acres are you going to have opened at one time?

\*\*Greco – I don't know exactly how many acres we have open on there today, but ...

\*\*Tock – it's more than one. I know the County has different stipulations on less than one, more than one,

\*\*Donna Brogan – I am confused that you don't know exactly. The thing I hear the most is that when somebody comes to us with a proposal that sounds short and sweet and then later on grows and grows I think that leads to a lot of instability among the neighbors. People don't know what they will be experiencing. I know you didn't start this project, but whoever started the project came to the Town with a plan and showed how long the project was going to last, and what would happen in year one, and what would happen in year two. So, it bothers me it's been a year down the road and you don't know exactly which phase you are at.

\*\*Greco – So initially as we eluded to earlier as far as a response to one of the questions...an initial phasing system is set-up as you believe as you go through the property and the reserve based on certain production levels. Now that varies. Obviously I wish we were producing sand today, but we're not so we're not mining and we are not moving through that. To put a timeframe around that is very difficult. You would have to be producing at a consistent pace in order to understand how much of the reserve you would utilize over a period of time. What mine phase we are in today again ...When we first started mining there was no dry plant on site. We had to clear space to put that dry plant in. So as far as the phase that we are in now is not really indicative of our production levels. I can go back and take a look at the original phasing system and tell you exactly where our mining is today, but I don't think it tells the full story. But if you would like I would be happy to find out which exact phase we are working on.

\*\*Brogan – What bothers me is that you built a dry plant when you clearly didn't have enough reserves to keep the dry plant running for the foreseeable future, so depends on an expansion model which again disturbs the neighbors. To go through hearing after hearing on the mine expansion on something that was a bad model versus someone who comes in with a plan with big buffers and were 30 years out and there is no expansion needed.

\*\*Greco – I fully understand. There is a lot of capital involved in that. I am not as big as some of the other competitors that I have out there. I would love to be able to fund that type of project, but I don't have that ability. I have to do things from a different standpoint. I understand where you are coming from. I would love that opportunity to go out and borrow the funds necessary to be able to put a very large operation together at the onset, but unfortunately that wasn't the opportunity that was presented. So I now have to look at a different option.

\*\*Brogan – so you told us that you dug 1.25 million tons, and you shipped 330,000?

\*\*Greco – 430,000, approximately.

\*\*Brogan - What are those remaining tons? Is that overburden or is that washed sand?

\*\*Greco – so we have a stockpile of reserves that have been washed on site, and then you've got the clay and the silt and material that comes out of the process

\*\*Donna Brogan – so you have told us that you have dug 1.25 million tons, over half of it is waste product.

\*\*Greco – it's not necessarily sellable I guess is the best way to answer that question. It's not really waste because you still have some good sand in there. For instance there is the finest material that folks use in the drilling process. We don't have an opportunity to really screen and produce a sellable product out of that, yet is what goes back into the ground. It comes out, we wash it, and sometimes we even dry it. Then we have to put it back because it's not something we can make enough of to sell at this point. As we evolve our operation we may be able to take that out, separate that product, dry it and have a place to store it, then ship it as a sellable product. So I wouldn't say it's all necessarily waste, but it's not something we can utilize right now.

\*\*Brogan – okay. And you still have 575 million tons.

\*\*Greco – I wish I had that.

\*\*Brogan – 5.75 million tons left on your original 150 acres?

\*\*Greco – approximately, yes mam.

\*\*Donna Brogan – I am having trouble seeing the expansion need right now.

\*\*Greco – well, you had asked me to come to you with a full plan. I tried to create as much as I can with a full plan now. This is my opportunity. I didn't have it prior. So now that I have the opportunity, the relationships have been made, now is why we propose what we do at this point is to look at the longer term and say now that we are involved we understand the issues and know what we what our plan needs to be. This is what we need to make happen to create a sustainable facility.

\*\*Jon Schultz – I was expecting more details. I understand also as I know it is an expansion of mineable acres. I was surprised by the volume of the information provided. Others have set a precedent so I was expecting more from you guys. Questions...I think the audience covered them all pretty well. I think Donna and Barb raised the bulk of what the Board's concerns are. As we met initially I really stressed the importance of making sure that the neighbors are being addressed with their concerns as those are most directly impacted by this expansion. I would say their concerns would have for me considerable weight in terms of a decision that I feel this Board has to make. I think Donna addressed that too in terms of the incremental expansion that we might be seeing. They might have a 30 year plan in what they want to see, and that might be disrupted. In a perfect world we wouldn't have these concerns. I think you do a very good job of trying to address and answer questions. When people are here asking questions you do a respectful job of that. I guess where we are at with this...we saw almost two years ago a past board member was literally given the plan at the moment of voting and said he hadn't been given enough information to vote. He said "I can't vote with what I have received". I think this Board would like to see that...to give you the opportunity to put together some more. You can see what we have been given. Does that sound reasonable to be given a timeframe to put together some more detailed information? Fundamentally we are responsible for the decision we make and so we need to have the resource in the office if someone comes up and says "what about this concern...what happened with that?" Maybe we missed it, but somehow the answer needs to be there. We are not going to be able to consider everything. We need some kind of record so we know what we are accountable for. We need to have a foundation to determine what our decision is. Does that sound reasonable? I know you would like to have a third meeting. We won't set a time for that yet as we will give you time to consider that.

\*\*Greco – Sure. We are in the process of finalizing what is being sent to the County. So I apologize that you didn't have that in front of you today. I will be happy to get that as soon as possible.

\*\*Donna Brogan – will that 3<sup>rd</sup> meeting be another public hearing?

\*\*Schultz – yes. With that said, are there any other concerns or comments from the Board? Thank you.

- **Roadwork for 2015:** – Based on bid numbers from the Highway department the Town of Arcadia CO-AID road budget is \$160,987.94 which consists of the County's share of \$64,395.18 (40%) and the Town's share of \$95,592.76 (60%). Based on this information the road crew will be working on Kamrowski Road (1.99 miles of sealcoating), Doris Guza Road (.5 miles of 2" overlay), lower half of North Creek Road (2.2 miles of sealcoating), and Irvin's Coulee (.89 miles of sealcoating). Barb Tock questioned the lower section of North Creek Road (Highway 95 to corner) indicating that the road needs shouldering before sealcoating can be done. Jon Olson stated that he will have to obtain the shouldering machine from the County which will cost \$135 an hour to rent. Barb T. stated that our budget remains at \$385K, but that includes all expenses for roads. Jon Schultz asked Jon Olson to provide information from Dave Lyga which he did. Donna Brogan then made a motion to rescind the previous motion of using co-aid funds for Norway and River Valley roads. Barb Tock seconded, and the vote carried unanimously. Barb Tock then made a new motion to use the co-aid funds for repairing/sealcoating Kamrowski, North Creek, Doris Guza and Irvin Coulee roads. Donna Brogan seconded; the vote passed unanimously.

**CORRESPONDENCE:** Public hearing for the Board of Adjustment at the County Courthouse on July 15<sup>th</sup> at 1:30; DNR hearing regarding air control permits for FML Sand will be held at Riverland Energy at 2 pm also on July 15<sup>th</sup>; WTA meeting on July 21<sup>st</sup> at the Blair Community Center; Special meeting for the Environmental and Land Use Committee on July 22<sup>nd</sup> at 6 pm at the County Courthouse; Pat Malone will be at the Town Hall on Saturday, July 25 for water testing kit distribution and will return on Monday, the 27<sup>th</sup> to pick up the tests.

**Confirm next meeting date:** Monday, July 27th, 2015 at 7:00 p.m. The meeting was adjourned at 10:37 p.m.

Respectfully submitted by,

Nancy Rohn  
Town of Arcadia Clerk/Treasurer

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TOWN OF ARCADIA  
Board Meeting Sign In Sheet

Board Meeting of July 13, 2015

NAME	COMPLETE ADDRESS
Nancy Bergman / TCCTU	N33015 Sq Bluff Whtd
Sandy A. Gilbertson	W21397 Erickson Lane Arcadia, WI 54612
Howard Wiersgalla	N28594 North Creek Road Arcadia Wisconsin
Darryl H's	N27058 Thompson Vally Rd PKD-Wi
Dorene Ross	N26588 Joe Rossa Ln. Arcadia
Ron Turchan	W21958 Holcomb Coulee Rd Lakeville, WI 54630
Ryan Hunt, SEH	10N. BRIDGE ST. CF 54729
Dan Hedington SEH	10N. BRIDGE ST. CF 54729
Russell van Fetting	C9, Rd 1
DuLaine & Ed Batsner	
Mike Chalks	W2402 Raney Vly Rd Arcadia
Ray Komwark	N26718 Thompson Vly Rd Arcadia
Jim [unclear]	W21818 SF RD 75
Kay M Proschunski	W27391 Parkview Lane
Cel & Susan Woychik	N24201 Whitetail Ln RKD
Elen Craplewski	N30556 N. Creek Rd Arcadia
Pat Strojzewski	N30556 N Creek Rd Arcadia
Beth Killian	N26509 Joe Rossa Ln Arcadia
Darrell	N-31291 Brsek RD Independence
Bob	W20572 Co Rd N Arcadio
Tom Przychalla	W23642 Nichol's
Debra Myron	N31102 Square Bluff Road, Blair, Town of Arcadia
Ron Gulekowsky	Arcadia
Robert Kysiet	Arcadia